



DAMODAR INDUSTRIES LIMITED

REGD. OFFICE: 19/22 & 27/30, MADHU ESTATE, PANDURANG BUDHKAR MARG, WORLI, MUMBAI – 400 013

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FORM DPT – 1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

[Pursuant to section 73 (2) (a) and section 76 and rule 4(1) and 4 (2) of the Companies (Acceptance of Deposits) Rules, 2014]

The circular or circular in the form of advertisement shall contain the following:

1. GENERAL INFORMATION

(a) Name of the Company :- **DAMODAR INDUSTRIES LIMITED**

(b) Date of incorporation of the company :- 11th December, 1987

(c) The business carried on by the Company & its Subsidiaries with details of branches or units, if any :-

The Company is engaged in the business of manufacturing and processing of Cotton yarn and Fancy yarn.

OFFICE: The Company has office at:-

Regd. Office :- 19/22 & 27/30, Madhu Estate, Pandurang Budhkar Marg, Worli, Mumbai- 400013

FACTORY :- The Company's manufacturing units are situated at:-

Dadra (U.T.) :- Survey No. 265/10/1, 2, 3, Demni Road, Dadra Village, Silvassa – 396 230

Daman (U.T.):- Plot No. 165/67/68, Dabhel Ind. Co.-Op. Soc., Dabhel, Nani Daman – 396210

Amravati :- T-26,MIDC Amravati, Addl.Indl. Area, Textile Park, Nandgaon Peth, Amravati, Maharashtra- 444605

The Company has no subsidiaries.

(d) Brief particulars of the managements of the company.

The company is managed by the Managing Director and Whole-Time Director's, subject to the supervision, direction and control of the board of Directors.

(e) Name, Occupation and Addresses of the Directors:

	Name of Director	Address	DIN	Occupation
(i)	Shri Arun Kumar Biyani (Chairman)	1702, Sumer Trinity Tower-1 New Prabhadevi Road, Mumbai – 400 025	00016519	Business
(ii)	Shri Ajay D. Biyani (Managing Director)	1704, B-2, 17 th Floor, Sumer Trinity, New Prabhadevi Road, Mumbai – 400 025	00014896	Business
(iii)	Shri Anil D. Biyani (Executive Director)	1804,B-2, 18 th Floor, Sumer Trinity, New Prabhadevi Road, Mumbai – 400 025	00016554	Business
(iv)	Shri Ketan K. Patel (Director)	Block No.5, Matru Ashish Chs VP Road, Near Jain Santoshi Mata Mandir, Ansheri (W) Mumbai – 400 058	08607454	Consultant
(v)	Shri Pankaj Srivastava (Director)	F3/19, Vasant Vihar-1, Kusum Pur, South West Delhi New Delhi-110057	06716582	Consultant
(vi)	Smt. Mamta A Biyani (Director)	604-B, Jeevan Vihar Manav Mandir Road, Malabar Hill, Mumbai-400 006	01850136	Business

(f) **Management's perception of risk factors:-**

The deposit accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

(g) **Details of default, including the amount involved, duration of default and present Status, in repayment of -**

- i) statutory dues :- NONE
- ii) debentures and interest thereon :- NONE
- iii) loan from any bank or financial institution and interest thereon :- NONE

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of Board Resolution:- August 09, 2022
- b. Date of passing of resolution in the General Meeting:- September 18, 2020
- c. Type of deposits:- UNSECURED DEPOSITS
- d. (i) Amount which the company can raise by way of Deposits as per the Act and the rules made their under:-

Deposits Shareholders under Rule 3(4)(a)	Rs. 1154.21 Lakhs
Other Deposits under Rule 3(4)(b)	Rs. 2885.52 Lakhs
Total	Rs. 4039.73 Lakhs

(ii) The Aggregate of Deposit actually held on the last day of the immediately preceding financial year and on the date of issue of the circular or advertisement:

- (a) As on March 31, 2022:- Rs. 2660.00 Lakhs
- (b) As on August 09, 2022: Rs. 2699.98 Lakhs. (Date of Board Meeting in which this circular was approved)
- (iii) Amount of Deposits repayable within the next Twelve months: - Rs. 387.00 Lakhs

e. Terms of raising of deposits: Duration, Rate of interest, mode of payment and repayment;

SCHEME

Quarterly Interest Payable

Period (Months)	Minimum deposit *	Rate of Interest (p.a.)	Rate of Interest (p.a.) Senior Citizen / Employee of the Company/Shareholders
12	20,000	8.50%	9.00%
24	20,000	9.00%	9.50%
36	20,000	9.50%	10.00%

***Additional amount acceptable in multiples of Rs. 1,000.**

The deposits shall also be subject to the terms and conditions as per the Application Form.

Mode of Payment and Repayment: - Cheque /Demand Draft/RTGS/NEFT

f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid;

Date of opening of the Scheme: - From the date of publishment of circular (DPT-1) in newspaper (after thirty days of filing of circular (DPT-1) with the Registrar of Companies)

The circular issued under this scheme is valid until the date of next AGM or until the expiry of the six months from the date of closure of Financial Year 2022-23 which is earlier

g. Reasons or objects of raising the deposits:- To meet the business requirements of the company

h. Credit rating obtained:

Name of the Credit Rating Agencies Rating obtained:- CRISIL LIMITED.

Rating :- BBB-/ Stable

Meaning of the rating obtained:- This rating indicates that the degree of safety regarding timely payment of interest and principal is satisfactory.

Date on which rating was obtained:- 23/06/2022

i. Short particulars of the charge created or to be created for securing such deposits, if any:- **N.A.**

j. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons:- **NONE. Directors, Promoters or KMP may acquire direct interest if and when they make deposit under the scheme**

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding : Rs.2660.00 Lakhs (As on 31st March 2022)
- b. Date of acceptance : Various Dates
- c. Total amount accepted : Rs.2345.31 Lakhs (During Financial Year 2021-22)
- d. Rate of interest : 8.50%, 9.00% and 9.50% and 0.50% Extra for Senior Citizen, Shareholders and Employees of the Company
- e. Total number of depositors : 686
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved: **None**
- g. Any waiver by the depositors, of interest accrued on deposits: **No.**

4. FINANCIAL POSITION OF THE COMPANY

- a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement:

Year	Profit Before Tax (Rs. in Lakhs)	Profit After Tax (Rs. in Lakhs)
2019-20	(1116.48)	(693.99)
2020-21	(867.97)	(619.67)
2021-22	2921.83	1835.44

- b. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid).

Year	Dividend on Equity Share%	Interest Coverage Ratio %
2019-20	0	1.49
2020-21	0	1.41
2021-22	10	2.83

- c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;

	(Rs in Lakhs)		
EQUITY & LIABILITIES	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Equity:			
Equity Share Capital	1165.00	1165.00	1165.00
Other equity	10377.06	8519.93	8647.68
Non-Current Liabilities:			
Financial Liabilities			
(i) Borrowings	17932.87	19753.27	20249.70
(ii) Other Financial Liabilities			
Provisions			
Deferred Tax Liabilities (net)	606.45	18.90	44.07
Other Non- Current Liabilities		-	-
Current Liabilities:			
Financial Liabilities			
(i) Borrowings	10981.10	10865.70	13644.31
(ii) Trade Payables	1032.62	1480.67	3702.42
(iii) Other Financial Liabilities	2592.43	2516.79	2271.50
Other Current Liabilities & Provisions	367.31	254.94	301.84
TOTAL EQUITY AND LIABILITIES	45054.84	44575.20	50026.52

(Rs in Lakhs)

ASSETS	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Non Current Assets:			
Property, Plant and Equipment	21526.95	23694.16	26207.53
Capital Work-in-Progress	-	51.62	152.12
Intangible assets	30.34	53.45	77.21
Intangible Assets Under Development			
Financial Assets			
(i) Other Non - Current Financial Assets	187.28	142.98	164.53
Other Non- Current	83.01	67.77	74.56
Current Assets:			
Inventories	8728.49	7862.14	10176.36
Financial Assets			
(i) Investments			-
(ii) Trade Receivables	10145.86	8086.63	9847.36
(iii) Cash and Cash Equivalents	153.01	63.69	41.43
(iv) Bank Balance Other Than Cash & Cash Equivalents	25.13	28.12	31.47
(v) Loans	44.27	44.50	36.36
(vi) Other Current Financial Assets	27.26	8.44	48.92
Current Tax Assets (Net)	129.46	165.45	192.27
Other Current Assets	3973.78	4306.25	2976.40
TOTAL ASSETS	45054.84	44575.20	50026.52

d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement

(Rs in Lakhs)

Particulars	2022	2021	2020
Cash From Operating Activities	4549.47	4694.91	2556.58
Cash Flow From Investing Activities	36.57	758.56	(1766.74)
Cash Flow From Financing Activities	(4514.63)	(5376.60)	(1032.90)

*Previous year's figures regrouped, whenever necessary

e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:
The Company adopted Indian Accounting Standard ('IND AS') notified by Ministry of corporate Affairs w.e.f 01.04.2017.

5. A DECLARATION BY THE DIRECTORS THAT-

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest on such deposit. ~~and where a default had occurred, the company made good the default and a period of five years had lapsed since the date of making good the default;~~
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made there under;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid. ~~(or will be repaid along with interest as per due dates and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities).~~
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company ~~(other than the secured deposits, if any, aggregate amount of which to be indicated)~~ are unsecured and rank pari passu with other unsecured liabilities of the company.

6. DISCLAIMER -

It is to be distinctly understood that filing of circular or circular in the Form of advertisement with the Registrar should not in any way be deemed or construed that the same has been cleared or approved by the Registrar or Central Government. The Registrar or Central Government does not take any responsibility either for the financial soundness of any deposit scheme for which the deposit is being accepted or invited or for the correctness of the statements made or opinions expressed in the circular or circular in the Form of advertisement. The depositors should exercise due diligence before investing in the deposits schemes.

This Circular is issued on the authority and in the name of the Board of Directors of the Company, the text hereof has been approved by the Board of Directors at its meeting held on August 09, 2022, and a copy thereof, signed by a majority of the Directors of the Company, has been filed with the Registrar of Companies, Maharashtra.

Dated: 09/08/2022
Place : Mumbai

For **DAMODAR INDUSTRIES LIMITED**

Sd/-
CHAIRMAN